



**Health Services**  
LOS ANGELES COUNTY

October 6, 2006

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Board of Supervisors

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TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.  
Director and Chief Medical Officer

SUBJECT: **REQUEST TO AMEND INFORMATION  
TECHNOLOGY SUPPORT SERVICES MASTER  
AGREEMENT (ITSSMA) WORK ORDER N7G-0037  
FOR A CONSULTING PROJECT MANAGER TO  
MANAGE INSTALLATION OF AN ENTERPRISE-  
WIDE PHARMACY INFORMATION SYSTEM FOR  
THE DEPARTMENT OF HEALTH SERVICES (DHS)**

Bruce A. Chernof, MD  
Director and Chief Medical Officer

John R. Cochran III  
Chief Deputy Director

William Loos, MD  
Acting Senior Medical Officer

This is to advise you of my intent to request the Internal Services Department (ISD) to amend the ITSSMA Work Order N7G-0037 with ACS Healthcare Solutions, formerly known as Superior Consultant, to extend the term and increase the total maximum dollar amount. It is requested that this Work Order be extended to March 30, 2007, and the total maximum amount be increased by \$165,372. Without further extension, this Work Order is set to expire October 30, 2006. This added funding will increase the total cost of this Work Order to \$854,372. In accordance with ITSSMA Guidelines, prior Board notice is required for projects that will exceed \$300,000. Your Board was previously advised of this project and the subject Work Order in an August 2004 memo.

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#### **BACKGROUND AND SCOPE OF WORK**

In 2004, a new Pharmacy System with an enterprise-wide design from GE Medical Systems was selected to replace the two legacy systems which use older technology and are not enterprise-wide systems.

In November 2005, the DHS Task Force comprised of DHS Pharmacy Directors, Information Systems staff, Quality Improvement staff, and medical staff, uncovered a critical downfall in one of the current legacy systems - the discontinued Sigma Pharmacy System, which provided application support to the Coastal and ValleyCare Clusters Pharmacies. The Sigma Pharmacy System did not provide the capacity for its users to be in full compliance of SB 292 (Workers' Compensation: Personally Identifiable Information), which became effective on January 1, 2006. As a result, the Task Force needed to direct a new phase in the enterprise-wide deployment of the new pharmacy system. An emergency conversion of the legacy Sigma Pharmacy System was conceived and employed.

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With the assistance of ITSSMA Consultant, the DHS Task Force has contributed to the emergency system conversion from the non-compliant software. This resulted in DHS Pharmacies full compliance with SB 292. However, the installs were preliminary, and the necessary pharmacy automated dispensing cabinets, and cabinet's inventory location, as well as detailed financial transaction, pharmacy formulary items, pharmacy charge master and laboratory interfaces are yet to be fully installed. A significant amount of work remains to be done for the enterprise-wide deployment of a new Pharmacy Information System (RXIS) for DHS.

The Consultant performing under this Work Order provides RXIS expertise, analysis, and project management services to assist DHS with project strategy, technology selection, technical architecture, procurement, and implementation.

### JUSTIFICATION

Currently, DHS has no staff with experience implementing an RXIS system. With the assistance of this Consultant, DHS has made good progress on the system design and planning. More importantly, DHS has successfully completed the emergency conversion of the legacy Sigma Pharmacy Systems in the Coastal and ValleyCare Clusters with Pharmacy Stock Control and Audit System (PSCAS) in the outpatient pharmacies and the QuadraMed Affinity Pharmacy System (PharmPro) in the inpatient pharmacies. This outcome allowed DHS to be in compliance with the regulatory requirements overseen by the pharmacy authority. It is not feasible at this time to budget, recruit, and hire an analyst and project manager with RXIS expertise through the normal personnel process; as the skill set required is highly specialized.

### FINANCIAL IMPACT

The Work Order was competitively bid and awarded in August 2004. The hourly rate for this Consultant will remain the same during the extended term. The increased cost of this Work Order will be \$165,372. This added funding will increase the total maximum amount of this project to \$854,372. The funds for this project were included in the Fiscal Year 2006-07 Health Services Administration – Information Resource Management Adopted Budget.

### CLOSING

Consistent with ITSSMA policies and procedures, we are informing your Board of the Department's intention to amend the term of this Work Order and increase the maximum dollar amount. On October 27, 2006, we will instruct ISD to proceed with the amendment of this Work Order.

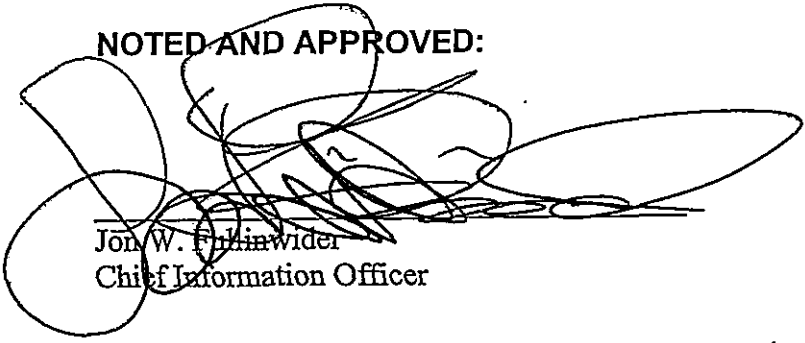
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If you have any questions or require additional information, please let me know.

BAC:gc

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Director, Internal Services Department

**NOTED AND APPROVED:**



Jon W. Fulinwider  
Chief Information Officer

10-15-06  
Date